

ORDINANCE M-2198

**AN ORDINANCE OF THE VILLAGE OF HOMEWOOD, COOK
COUNTY, ILLINOIS, ADOPTING TAX INCREMENT ALLOCATION
FINANCING FOR THE KEDZIE GATEWAY TAX INCREMENT
FINANCING REDEVELOPMENT PROJECT AREA**

WHEREAS, it is desirable and in the best interest of the citizens of the Village of Homewood, Cook County, Illinois (the “Village”), for the Village to implement tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Division 74.4 of Article 11 of the Illinois Municipal Code (65 ILCS 5/11-74.4-1 *et seq.*) as amended (the “Act”), for a proposed redevelopment project area known as the Kedzie Gateway Tax Increment Financing Redevelopment Project Area within the municipal boundaries of the Village (the “Area”), which Area constitutes in the aggregate more than one and one-half acres, as described in Exhibit A of this Ordinance, to be developed pursuant to a proposed “redevelopment plan” (as that term is defined in the Act) (the “Plan”), which includes a proposed “redevelopment project” (as that term is defined in the Act) (the “Project”) and is attached as Exhibit D; and

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the President and Trustees of the Village (the “Corporate Authorities”) on August 10, 2021 adopted an ordinance proposing the establishment of the Area and calling a public hearing for September 28, 2021 concerning approval of the Plan and Project, designation of the Area as a redevelopment project area under the Act and adoption of Tax Increment Allocation Financing within the Area pursuant to the Act; and

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WHEREAS, due notice regarding such hearing was given pursuant to Section 11-74.4-5 of the Act, said notice being given to taxing districts and to the Department of Commerce and Economic Opportunity of the State of Illinois by Certified Mail on August 11, 2021, 2021, by publication in the Daily Southtown on September 6, 2021 and September 9, 2021, and by Certified Mail to taxpayers within the Area on September 8, 2021; and

WHEREAS, the Village has heretofore convened a joint review board (the “Board”) meeting on September 1, 2021, at the time and location described in such notice, to review the Plan and Project, as required by and in compliance with the Act; and

WHEREAS, the Corporate Authorities have reviewed the Plan and Project, the Board’s recommendation that the Plan and Project be approved, the information concerning such factors presented at the public hearing and have reviewed other studies and are generally informed of the conditions in the proposed Area that support qualification of the Area as a “conservation area” set forth under the Act; and are generally informed of the conditions existing in the Area; and

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to lack of private investment in the proposed Area to determine whether private development would take place in the proposed Area as a whole without the adoption of the proposed Plan; and

WHEREAS, the Corporate Authorities have reviewed the conditions pertaining to real property in the proposed Area to determine whether contiguous parcels of real

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property and improvements thereon in the proposed Area would be substantially benefited by the proposed Project improvements; and

WHEREAS, the Village has heretofore approved the Plan and Project as required by the Act, which was identified in An Ordinance of the Village of Homewood, Cook County, Illinois, Approving the Redevelopment Plan and Project for the Kedzie Gateway Tax Increment Financing Redevelopment Project, and has heretofore designated the Area as a “redevelopment project area” defined by the Act by passing An Ordinance of the Village of Homewood, Cook County, Illinois, Designating the Kedzie Gateway Redevelopment Project Area, and has otherwise complied with all other conditions precedent required by the Act.

NOW, THEREFORE, BE IT ORDAINED by the President and Trustees of the Village of Homewood, Cook County, Illinois:

Section 1. Recitals. The above recitals are incorporated herein and made a part hereof.

Section 2. Tax Increment Financing Adopted. Tax increment allocation financing is adopted pursuant to Section 5/11-74.4-8 of the Act to finance redevelopment project costs as defined in the Act and as set forth in the Plan within the Area as legally described in Exhibit A attached and incorporated herein as if set out in full by this reference. The general street location for the Area is described in Exhibit B attached and incorporated herein as if set out in full by this reference. The map of the Area is depicted in Exhibit C attached and incorporated herein as if set out in full by this reference.

Section 3. Allocation of Ad Valorem Taxes. Pursuant to the Act, the ad valorem taxes arising from the levies upon taxable real property in the Area by taxing districts and tax rates determined in the manner provided in Section 11-74.4-9(c) of the Act each year after the effective date of this Ordinance until the redevelopment project costs and all municipal obligations financing economic development costs incurred under the Act issued in respect thereto have been paid, shall be divided as follows:

a. That portion of taxes levied upon each taxable lot, block, tract, or parcel of real property attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the Area shall be allocated to (and when collected shall be paid by the county collector to) the respective affected taxing districts in the manner required by law absent the adoption of tax increment allocation financing.

b. That portion of such taxes attributable to the increase in the current equalized assessed valuation of each lot, block, tract, or parcel of real property in the Area shall be allocated to and when collected shall be paid to the Village treasurer, who shall deposit said taxes into a special fund, created and designated the “Kedzie Gateway Redevelopment Project Area Special Tax Allocation Fund” of the Village and such taxes shall be used to pay redevelopment project costs and obligations incurred in the payment thereof.

Section 4. Invalidity of Any Section. If any section, paragraph, or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity

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or unenforceability of such section, paragraph, or provision shall affect none of the remaining provisions of this Ordinance.

Section 5. Superseder and Effective Date. All ordinances, resolutions, motions, or orders in conflict shall be, and the same are, repealed to the extent of such conflict, and this Ordinance shall be in full force and effective immediately upon its passage by the Corporate Authorities and approval as provided by law.

ATTACHMENTS:

EXHIBIT A - Legal Description

EXHIBIT B - General Street Location

EXHIBIT C - Map of Redevelopment Project Area

EXHIBIT D - Redevelopment Plan and Project

PASSED this 12th day of October 2021.

AYES _____ NAYS _____ ABSENT _____

VILLAGE PRESIDENT

ATTEST:

VILLAGE CLERK

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 2, THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 35 NORTH, RANGE 13 EAST AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 36;

THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 36 TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF OLIVE ROAD;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH RIGHT-OF-WAY LINE OF OLIVE ROAD TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF THE EAST 66 FEET OF LOTS 39 AND 40 IN HOMEWOOD GARDENS ACRES NO 2 SUBDIVISION, RECORDED SEPTEMBER 6, 1935, AS DOCUMENT NUMBER 11674815;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE WEST LINE OF THE EAST 66 FEET OF LOTS 39 AND 40 TO A POINT ON THE SOUTH LINE OF SAID LOT 40;

THENCE EAST ALONG THE SOUTH LINE OF LOT 40 TO THE SOUTHEAST CORNER THEREOF, SAID SOUTHEAST CORNER ALSO BEING THE NORTHEAST CORNER OF LOT 44 IN SAID HOMEWOOD GARDENS ACRES NO 2 SUBDIVISION;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 44 TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF 183RD STREET;

THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF 183RD STREET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF ROBIN LANE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST RIGHT-OF-WAY LINE OF ROBIN LANE TO A POINT OF INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 43 IN PINWOOD MANOR OF HOMEWOOD FIRST ADDITION, RECORDED NOVEMBER 14, 1988, AS DOCUMENT NUMBER 88524235;

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THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 43 TO A POINT ON THE EAST LINE OF THE WEST 974 FEET OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 1;

THENCE SOUTH ALONG SAID EAST LINE OF THE WEST 974 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 579 FEET OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 1;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH 579 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF KEDZIE AVENUE;

THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE OF KEDZIE AVENUE TO A POINT OF INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF 184TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH RIGHT-OF-WAY LINE OF 184TH STREET TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE LOT 8 IN HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION, RECORDED NOVEMBER 20, 1934, AS DOCUMENT NUMBER 11497788;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE LOT 8 TO A POINT ON THE SOUTH LINE OF THE NORTH 463 FEET OF SAID LOT 8;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH 463 FEET OF LOT 8 AND CONTINUING WEST ALONG THE SOUTH LINE OF THE NORTH 463 FEET OF LOTS 7 AND 6 IN SAID HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION TO A POINT ON THE WEST LINE OF THE EAST HALF OF SAID LOT 6, SAID WEST LINE ALSO BEING THE EAST LINE OF LINDENWOOD SUBDIVISION, RECORDED NOVEMBER 29, 1977, AS DOCUMENT NUMBER 24214414;

THENCE NORTH ALONG SAID EAST LINE OF LINDENWOOD SUBDIVISION TO THE NORTHEAST CORNER THEREOF, SAID NORTHEAST CORNER ALSO BEING A POINT ON THE NORTH LINE OF THE SOUTH 360 FEET OF SAID LOT 6 IN HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 360 FEET TO A POINT ON THE WEST LINE OF SAID LOT 6;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 6 TO A POINT ON THE NORTH LINE OF LOT 9 IN SAID LINDENWOOD SUBDIVISION;

THENCE WEST, NORTH AND WEST ALONG SAID NORTH LINE OF LOT 9 TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING A POINT ON THE EAST LINE OF LOT 2 IN SAID HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION;

THENCE NORTH ALONG SAID EAST LINE OF LOT 2 TO A POINT ON THE NORTH LINE OF THE SOUTH 375 FEET OF SAID LOT 2;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 375 FEET TO A POINT ON THE WEST LINE OF SAID LOT 2, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF LOT 2 IN HOMEWOOD POINTE RESUBDIVISION, RECORDED JANUARY 6, 2005, AS DOCUMENT NUMBER 0500645141;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 2 IN HOMEWOOD POINTE RESUBDIVISION TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 2;

THENCE NORTH ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER TO A POINT ON THE NORTH LINE OF SAID SECTION 2;

THENCE EAST ALONG SAID NORTH LINE OF SAID SECTION 2 TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

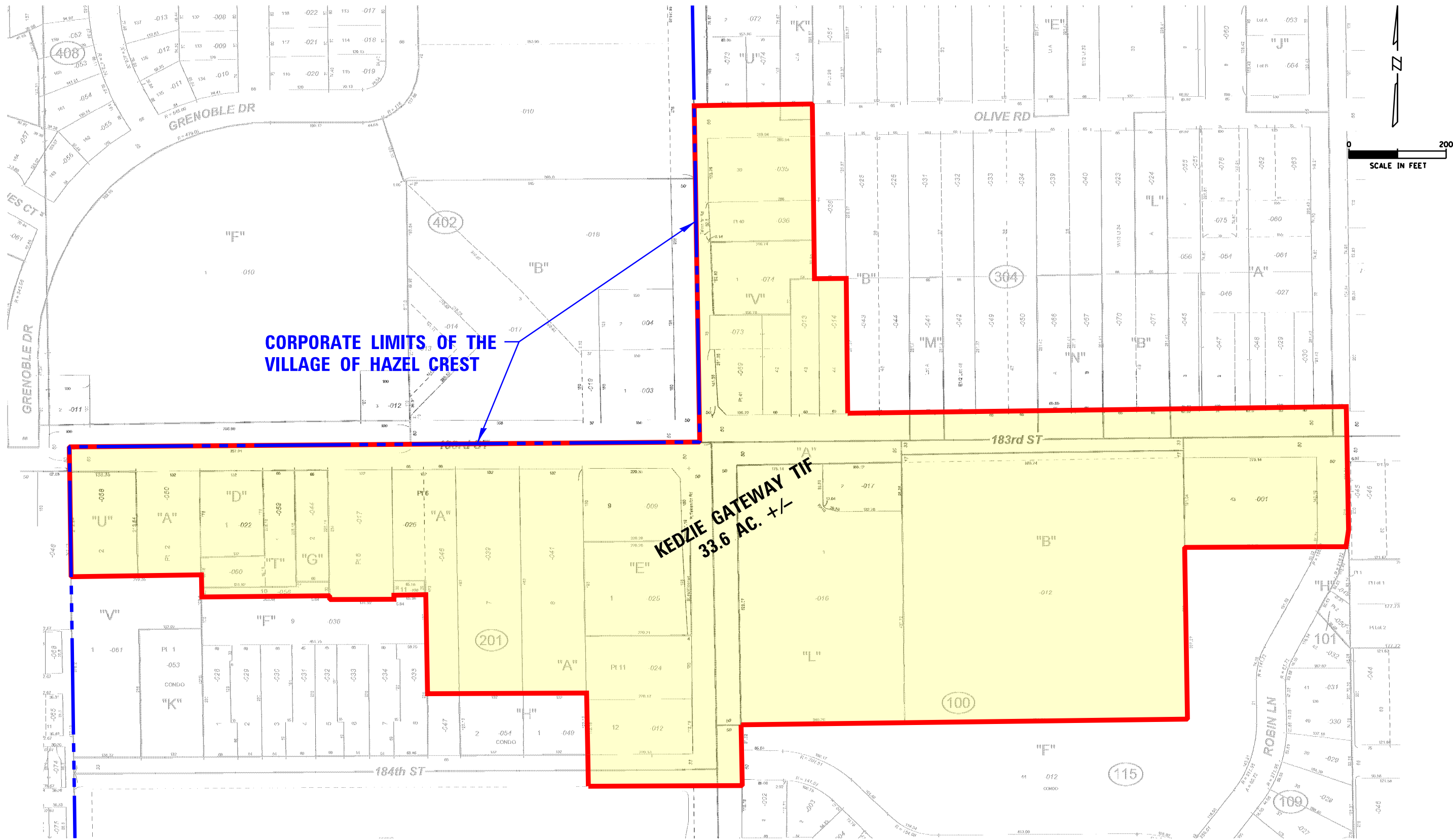
EXHIBIT B

GENERAL STREET LOCATION

The redevelopment project area is located in the southwest portion of the Village and consists of twenty-eight (28) tax parcels generally located at the intersection of Kedzie Avenue and 183rd Street, primarily along the south side of 183rd Street straddling Kedzie Avenue, between Kimball Street to the west and Robin Lane to the east, and also on the east side of Kedzie Avenue north of 183rd Street.

EXHIBIT C

MAP OF REDEVELOPMENT PROJECT AREA



CHRISTOPHER B. BURKE
ENGINEERING, LTD.
9575 West Higgins Road
Suite 600, Rosemont, Illinois 60018
(847) 823-0500

KEDZIE GATEWAY TIF
IN
VILLAGE OF HOMEWOOD, ILLINOIS
PREPARED FOR
KANE, MCKENNA AND ASSOCIATES, INC.

CALC.	JRM
DWN.	AJK
CHKD.	JRM
SCALE:	1"=200'
DATE:	06-17-2021

PROJECT NO.	210319
SHEET 1 OF 1	
DRAWING NO.	TIF21319A

REVISED: 07-16-2021

EXHIBIT D

REDEVELOPMENT PLAN AND PROJECT

Draft Date: 07/28/2021

**VILLAGE OF HOMEWOOD, ILLINOIS
KEDZIE GATEWAY TIF DISTRICT REDEVELOPMENT
PROJECT AREA
REDEVELOPMENT PLAN AND PROJECT**

Prepared By:

**Village of Homewood, Illinois
&
Kane, McKenna and Associates, Inc.**

July, 2021

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I. Introduction

The Village of Homewood (the “Village”) is a suburban municipality serving a population of 19,323 citizens (according to the 2010 U.S. Census). The Village is an established community situated approximately 22 miles south of Chicago’s “Loop” within close distance to Midway Airport and Gary-Chicago International Airport and near Interstate 394, Interstate 294, Interstate 90-94 and four State and County Roads. In this report, the Village proposes a Tax Increment Financing Redevelopment Plan and Project (the “Plan” or “Redevelopment Plan”) pursuant to the TIF Act (as such term is hereinafter defined) to enable an area within the Village to overcome a number of redevelopment barriers. Kane, McKenna and Associates, Inc. (KMA) has been retained by the Village to assist in the drafting of this Redevelopment Plan.

The intersection of 183rd Street and Kedzie Avenue is considered by the Village to be a key gateway into the Village. The Village’s 1999 Comprehensive Plan recognizes 183rd Street as “a major east/west entryway into the Village allowing for a southern grand access-way to the Downtown”. The 1999 plan also notes that regional retail market shifts “will create the need for additional local retail shopping within the Downtown and along 183rd Street”. Programmed commercial development is recommended as part of the 1999 Comprehensive Plan calling for “expansion of the existing commercial pattern of commercial uses within the northeastern quadrant of 183rd and Kedzie Avenue”. Proximity of the Kedzie and 183rd Street intersection to the commuter rail station and the existing Downtown TOD TIF District is also important for coordination and planning for integrated uses, infrastructure and continuity. The potential to redevelop the area around this significant intersection is an opportunity to enhance thirty-three (33) acres of property located at the gateway described above and to position the area in relation to marketplace trends impacting both retail and auto industry uses.

Given these conditions, the Village has determined that the proposed TIF District would not be redeveloped in a coordinated manner without the adoption of a Tax Increment Financing Redevelopment Plan. The Village, with the assistance of KMA, has commissioned this Redevelopment Plan to use tax increment financing in order to alleviate those conditions which deter private investment in the area and meet the Village’s redevelopment goals and objectives.

A. Overview of Tax Increment Financing (TIF)

Tax Increment Financing (TIF) is an economic development tool which uses future tax revenues to finance redevelopment activity. In the State of Illinois, an area can be designated as a “redevelopment project area” pursuant to the TIF Act if it faces certain impediments to redevelopment. At the time of designation, the equalized assessed value of tax parcels within the boundaries of the district are “frozen” for the term of the redevelopment project area. Taxing jurisdictions that overlap that district continue to receive property taxes, but those revenues are limited to those based on the “frozen” or base equalized assessed values. Any property tax revenue generated from increases in equalized assessed value relative to the frozen values are deposited in

a special tax allocation fund. This revenue is then used to finance redevelopment activities within the district to accomplish various community and economic development goals.

B. The Redevelopment Plan

The Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-3, et. seq., as amended (the “TIF Act” or “Act”) enables Illinois municipalities to establish a “redevelopment project area” either to eliminate the presence of blight or to prevent its onset. The Act finds that municipal TIF authority serves a public interest in order to: “promote and protect the health, safety, morals, and welfare of the public, that blighted conditions need to be eradicated and conservation measures instituted, and that redevelopment of such areas be undertaken; that to remove and alleviate adverse conditions it is necessary to encourage private investment and restore and enhance the tax base of the taxing districts in such areas by the development or redevelopment of project areas” (65 ILCS 5/11-74.4-2(b)).

To establish an area as a “redevelopment project area” pursuant to the Act, Illinois municipalities must adopt several documents including a Redevelopment Plan and Qualification Report that provides in reasonable detail the basis for the eligibility of the RPA. A Redevelopment Plan is any comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions which qualify the redevelopment project area as a "blighted area," "conservation area" (or combination thereof), or "industrial park conservation area", and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area as set forth in the TIF Act.

The Village has authorized KMA to study the area identified in the boundary map attached hereto as Exhibit 1 (the “Redevelopment Project Area”, “RPA” or “TIF District”) in relation to its eligibility as a Redevelopment Project Area under the TIF Act, to prepare a report for the eligibility of the RPA (the “Qualification Report”) and to prepare a Redevelopment Plan for the RPA.

C. Findings Pursuant to the TIF Act

It is found and declared by the Village through legislative actions as required by the Act that:

1. That to alleviate the adverse conditions, it is necessary to encourage private investment and enhance the tax base of the taxing districts in such areas by the development or redevelopment of certain areas;
2. That public/private partnerships are determined to be necessary in order to achieve development goals;
3. The Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of this redevelopment plan;
4. That the use of incremental tax revenues derived from the tax rates of various taxing districts in the RPA for the payment of redevelopment project costs that are incurred in the

redevelopment of the RPA will incentivize such redevelopment and benefit such taxing districts in the long run, by alleviating the conditions identified in the Eligibility Report and increasing the assessment base;

5. That such increased assessment base is not likely to be achieved without using such incentives to first alleviate such conditions; and
6. The Redevelopment Plan and Project conform to the Village's 1999 Comprehensive Plan, (the "Comprehensive Plan"), which guides development of the Village as a whole.

It is further found, and certified by the Village, in connection to the process required for the adoption of this Redevelopment Plan pursuant to 65 ILCS 5/11-74.4-3(n)(5) of the Act, that this Redevelopment Plan will not result in the displacement of ten (10) or more inhabited residential units. Therefore, this Redevelopment Plan does not include a housing impact study as is required under the Act.

The redevelopment activities that will take place within the RPA will produce benefits that are reasonably distributed throughout the RPA. Redevelopment of the RPA is tenable only if a portion of the improvements and other costs are funded by the RPA.

Pursuant to the Act, the RPA includes only those contiguous parcels of real property and improvements thereon substantially benefited by the Redevelopment Plan. Also pursuant to the Act, the area of the RPA in the aggregate is more than 1½ acres.

II. Redevelopment Project Area

A. Redevelopment Project Area Summary

The RPA is located in the southwest portion of the Village and consists of twenty-eight (28) tax parcels generally located at the intersection of Kedzie Avenue and 183rd Street, primarily along the south side of 183rd Street straddling Kedzie Avenue, between Kimball Street to the west and Robin Lane to the east, and also on the east side of Kedzie Avenue north of 183rd Street. Existing land uses within the RPA include commercial, retail, office and residential uses. Please see Exhibit 1 for a boundary map of the RPA.

B. Legal Description of Redevelopment Project Area

The Redevelopment Project Area legal description is attached as Exhibit 2.

III. Redevelopment Goals

A. Village Goals

The Village has established a number of goals, objectives and strategies which would determine the kinds of activities to be undertaken within the RPA.

An important underlying document is the Comprehensive Plan, which, as an element of the planning process, describes the overall vision for the Village and is the foundation for Village initiatives. This planning document influences all other Village planning processes including those related to TIF. The below Table 1 summarizes goals in the 1999 Comprehensive Plan that are applicable to the RPA.

Table 1. 1999 Comprehensive Plan Goals Relevant to Redevelopment of the RPA

Element	Goals/Objectives
Provide commercial districts which will serve the needs of area residents and enhance the overall quality of life in the community	Promote commercial development on vacant or under-utilized land parcels only where it will serve to strengthen existing commercial districts
	Recruit additional appropriate retail and industrial development for designated vacant commercial and industrial areas
	Establish a transition zone surrounding the current downtown where, depending on market timing, changes in zoning from residential to commercial or mixed-uses would be favorably considered depending on the specifics of the proposal
	Implement municipal utility improvements, especially storm water improvements, sidewalk construction/replacement, streetscape, street tree plantings and sign improvements.

Source: Village of Homewood 1999 Comprehensive Plan (2015)[DOUBLE CHECK DATES OF COMP PLAN]

Implementation of this Redevelopment Plan will facilitate the accomplishment of these and other goals described in the Comprehensive Plan. It is further expected that the “redevelopment projects” as defined in the TIF Act will return the RPA to economically productive use; thus, accomplishing the Village’s general goals regarding enhancing and strengthening the Village’s tax base.

B. Redevelopment Project Area Goals

Given the potential community benefits that may be gained from redevelopment of the RPA, efforts should be made to obtain the following goals for the RPA:

1. Reduce or address those adverse impacts described in the TIF Qualification Report which deter private investment in the RPA
2. Return underutilized property located within the RPA to productive use and strengthen and enhance the Village's tax base
3. Provide for high-quality, development within the RPA that facilitates community and economic development goals
4. Accomplish redevelopment of the RPA over a reasonable time period

These goals may be accomplished by pursuing the following objectives for the RPA:

1. Promotion of the redevelopment of underutilized property located within the RPA
2. Provision for the assembly or coordination of private and public property for viable redevelopment projects
3. Improvement of existing rights-of-way and infrastructure including, but not limited to roadways, streetscape, traffic signalization and parking improvements
4. Provision of necessary site preparation including, but not limited to, grading, demolition and environmental remediation
5. Provision of public investment that improves the physical condition and visual aesthetic of the area including those in the public realm (e.g. streetscaping) and the private realm (e.g. facades and signage)

These objectives may be pursued independently by the Village or in private partnership by entering into redevelopment agreements in order to redevelop existing property or induce new development to locate within the RPA.

IV. Evidence of Lack of Development and Growth

A. Qualification Report

The Redevelopment Plan Area's qualification under the TIF Act was evaluated by representatives of KMA from October, 2020 to the date of this draft report. Analysis was aided by certain reports obtained from the Village and other sources. Only information which would directly aid in the determination of eligibility for a redevelopment project area was utilized.

The reported results of this evaluation are attached as Exhibit 3 of this Redevelopment Plan.

B. Findings

As found in Exhibit 3 of this Redevelopment Plan, the RPA has suffered from certain impediments to redevelopment. The area has been burdened with a lack of significant private investment and/or development. As a result, the RPA is not likely to experience significant development and growth without the use of Village resources.

Factors which constitute evidence of the property as a "conservation area" and which impair sound growth in the RPA are: (i) obsolescence (ii) deterioration of structures or site improvements, (iii) excessive vacancies, (iv) code violations, and (v) lack of community planning.

V. Assessment of Fiscal Impact on Affected Taxing Districts

It is anticipated that the implementation of this Redevelopment Plan will have a positive financial impact on the affected taxing districts. Actions to be taken by the Village to enhance its tax base through the implementation of this Redevelopment Plan will also have a positive impact on the affected taxing districts.

Strategies will be encouraged to promote growth via private investment within the area, while specific objectives will be geared toward stabilizing the RPA's existing strengths and revitalizing the RPA's redevelopment potential.

It is anticipated that the RPA will require minimal increased services from affected taxing districts other than the Village. Should the Village achieve success in attracting private investment which does result in the need for documented increased services from any taxing districts, the Village will consider the declaration of sufficient surplus funds (which funds are neither expended nor obligated) as provided by the TIF Act, to assist affected taxing districts in paying the costs for the increased services.

Any surplus funds that may exist will be proportionately shared, based on the appropriate tax rates for a given year, with the various taxing districts including the Village. Prior to any surplus disbursement, all TIF eligible costs either expended or incurred as an obligation by the Village will be duly accounted for through the administration of the Special Tax Allocation Fund to be established by the Village as provided by the TIF Act.

VI. Housing Impact Study

The RPA was studied in order to determine if a housing impact study would need to be conducted pursuant to the TIF Act.

A housing impact study is not required to be completed because the Village will certify that it will not displace ten or more residential units and no residential uses are located within the RPA.

If, later, the Village does decide that it is necessary to dislocate ten or more residential units, then the Village must complete a housing impact study and amend the Redevelopment Plan herein.

VII. Redevelopment Project

A. Redevelopment Activities

The Village will implement a coordinated program of actions, including, but not limited to, the following actions:

Land Assembly: Property within the RPA may be acquired, assembled and reconfigured into appropriate redevelopment sites. The Village may also cover any relocation costs related to land assembly activities.

Site Preparation, Clearance, and Demolition: Property within the RPA may be improved by site clearance, excavation, regrading, environmental remediation or demolition.

Public Improvements: Public improvements within the RPA may be provided or repaired to support the Redevelopment Plan and Project. Examples of such public improvements may include but are not limited to: (i) public utilities and infrastructure including roadways, water mains, sanitary sewer systems and storm sewer systems; (ii) public parking facilities; (iii) storm water management and detention facilities; (iv) landscaping, lighting, traffic signalization; signage; and other improvements to the streetscape. Relocation of utilities or infrastructure may also be funded as determined by the Village.

Rehabilitation and Construction: Rehabilitation of certain structures within the RPA in order to provide for the redevelopment of the area and conformance to Village code provisions. Improvements may include commercial signage upgrades, exterior and facade related work as well as interior related work.

Interest Rate Write-Down: Entering into agreements with property owners/developers whereby a portion of the interest cost of a construction, renovation or rehabilitation project is paid for on annual basis out of the Special Tax Allocation Fund of the RPA, in accordance with the Act.

Job Training: Assisting facilities and enterprises located within the RPA in providing job training assistance. Job training and retraining programs currently available from or through other governments include, but are not limited to; federal programs, state programs, applicable local vocational educational programs including community college sponsored programs and other federal, state, county or non-profit operated programs that are available or will be developed and initiated over time.

B. General Land Use Plan

Existing land uses consists largely of commercial and retail land uses. Existing land uses are shown in Exhibit 4, attached hereto and made a part hereof and include commercial, retail, office, and residential uses.

Proposed land uses in the RPA are to consist of commercial, retail and office uses. Intended land uses will conform to the Village's Comprehensive Plan. Exhibit 5, attached hereto and made a part of this Plan designates the proposed general land uses in the Redevelopment Project Area.

C. Additional Design and Control Standards

The appropriate design controls, including for any Planned Unit Developments, as set forth in the Village's Zoning Ordinance, as amended, shall apply to the RPA.

D. Eligible Redevelopment Project Costs

Redevelopment project costs mean and include the sum of all reasonable or necessary costs incurred or estimated to be incurred, as provided in the Act, and any such costs incidental to this Redevelopment Plan. Private investments, which supplement municipal Redevelopment Project Costs, are expected to substantially exceed such redevelopment project costs.

Eligible costs permitted under the Act which may be pertinent to this Redevelopment Plan include:

1. *Professional Services* - Costs of studies and surveys, development of plans and specifications, implementation and administration of the redevelopment plan including, but not limited to, staff and professional service costs for architectural, engineering, legal, marketing, financial, planning, or other special services, provided, however, that no charges for professional services may be based on a percentage of the tax increment collected; except that after November 1, 1999, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of three (3) years. In addition, "redevelopment project costs" shall not include lobbying expenses;
- 1.1 After July 1, 1999, annual administrative costs shall not include general overhead or administrative costs of the municipality that would still have been incurred by the municipality if the municipality had not designated a redevelopment area or approved a redevelopment plan;
2. *Marketing* - The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;
3. *Property Assembly Costs* - Including, but not limited to, acquisition of land and other property, real or personal, or rights or interest therein, demolition of buildings, site

preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

4. *Rehabilitation Costs* - Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements; and the costs of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment; including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification;
5. *Public Works and Improvements* - Costs of the construction of public works or improvements, including any direct or indirect costs relating to Green Globes or LEED certified construction elements or construction elements with an equivalent certification, except that on and after November 1, 1999 redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building as provided under paragraph (3) of subsection (q) of Section 11-74.4-3 unless either (i) the construction of the new municipal building implements a redevelopment project that was included in a redevelopment plan that was adopted by the municipality prior to the effective date of this amendatory Act of the 91st General Assembly or (ii) the municipality makes a reasonable determination in the redevelopment plan, supported by information that provided that basis for that determination, that the new municipal building is required to meet an increase in the need for public safety purposes anticipated to result from the implementation of the redevelopment plan;
6. *Job Training* - Costs of job training and retraining projects including the costs of ‘welfare to work’ programs implemented by businesses located within the redevelopment project area;
7. *Financing Incentives* - Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued pursuant to the Act accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;
8. *Capital Costs* - To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district’s capital (and additional student tuition) costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project;

9. *School-related Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing units) on or after November 1, 1999 an elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by the Act, and which costs shall be paid by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units and shall be calculated annually as follows:
- a) for foundation districts, excluding any school district in a municipality with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general State aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
 - (i) for unit school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 25% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
 - (ii) for elementary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 17% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
 - (iii) for secondary school districts with a district average 1995-96 Per Capita Tuition Charge of less than \$5,900, no more than 8% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act.

- b) For alternate method districts, flat grant districts, and foundation districts with a district average 1995-96 Per Capita Tuition charge equal to or more than \$5,900, excluding any school district with a population in excess of 1,000,000, by multiplying the district's increase in attendance resulting from the net increase in new students enrolled in that school district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by the Act since the designation of the redevelopment project area by the most recently available per capita tuition cost as defined in Section 10-20.12a of the School Code less any increase in general state aid as defined in Section 18-8.05 of the School Code attributable to these added new students subject to the following annual limitations:
 - (i) for unit school district, no more than 40% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act;
 - (ii) for elementary school district, no more than 27% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under this Act; and
 - (iii) for secondary school districts, no more than 13% of the total amount of property tax increment revenue produced by those housing units that have received tax increment finance assistance under the Act.
- c) Any school district in a municipality with a population of 1,000,000, additional restrictions apply. Any school district seeking payment shall, after July 1 and before September 30 of each year, provide the municipality with reasonable evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the school district. If the school district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. School districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by the Act. By acceptance of this reimbursement the school district waives the right to directly or indirectly set aside, modify, or contest in any manner the establishment of the redevelopment project area or projects;

- 10. *Library Costs* - For redevelopment project areas designated (or redevelopment project areas amended to add or increase the number of tax-increment-financing assisted housing

units) on or after January 1, 2005, a public library district's increased costs attributable to assisted housing units located within the redevelopment project area for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing as authorized by this Act shall be paid to the library district by the municipality from the Special Tax Allocation Fund when the tax increment revenue is received as a result of the assisted housing units. This paragraph applies only if (i) the library is located in a county that is subject to the Property Tax Extension Limitation Law or (ii) the library district is not located in a county that is subject to the Property Tax Extension Limitation Law but the district is prohibited by any other law from increasing its tax levy rate without a prior voter referendum.

The amount paid to a library district under this paragraph shall be calculated by multiplying (i) the net increase in the number of persons eligible to obtain a library card in that district who reside in housing units within the redevelopment project area that have received financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the housing sites necessary for the completion of that housing as authorized by this Act since the designation of the redevelopment project area by (ii) the per-patron cost of providing library services so long as it does not exceed \$120. The per-patron cost shall be the Total Operating Expenditures Per Capita as stated in the most recent Illinois Public Library Statistics produced by the Library Research Center at the University of Illinois. The municipality may deduct from the amount that it must pay to a library district under this paragraph any amount that it has voluntarily paid to the library district from the tax increment revenue. The amount paid to a library district under this paragraph shall be no more than 2% of the amount produced by the assisted housing units and deposited into the Special Allocation Fund.

A library district is not eligible for any payment under this paragraph unless the library district has experienced an increase in the number of patrons from the municipality that created the tax-increment-financing district since the designation of the redevelopment project area.

Any library district seeking payment under this paragraph shall, after July 1 and before September 30 of each year, provide the municipality with convincing evidence to support its claim for reimbursement before the municipality shall be required to approve or make the payment to the library district. If the library district fails to provide the information during this period in any year, it shall forfeit any claim to reimbursement for that year. Library districts may adopt a resolution waiving the right to all or a portion of the reimbursement otherwise required by this paragraph. By acceptance of such reimbursement, the library district shall forfeit any right to directly or indirectly set aside, modify, or contest in any manner whatsoever the establishment of the redevelopment project area or projects;

11. *Relocation Costs* - to the extent that the Village determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law;
12. *Payment in Lieu of Taxes*;
13. *Job Training* - Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in the redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the Village, are set forth in a written agreement by or among the Village and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Section 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Section 10-22.20a and 10-23.3a of the School Code;
14. *Interest Costs* – incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:
 - a) such costs are to be paid directly from the Special Tax Allocation Fund established pursuant to the Act;
 - b) such payments in any one-year may not exceed 30% of the annual interest costs incurred by the developer pertaining to the redevelopment project during that year;
 - c) if there are not sufficient funds available in the Special Tax Allocation Fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the Special Tax Allocation Fund;
 - d) the total of such interest payments paid pursuant to the Act may not exceed 30% of the total (i) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to the Act;
 - e) the cost limits set forth in subparagraphs (b) and (d) shall be modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing

Act and the percentage of 75% shall be substituted for 30% in subparagraphs (b) and (d);

- f) Instead of the eligible costs provided by subparagraphs (b) and (d), as modified by this subparagraph, and notwithstanding any other provisions of the Act to the contrary, the municipality may pay from tax increment revenues up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of construction of those units may be derived from the proceeds of bonds issued by the municipality under the Act or other constitutional or statutory authority or from other sources of municipal revenue that may be reimbursed from tax increment revenues or the proceeds of bonds issued to finance the construction of that housing. The eligible costs provided under this subparagraph (f) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act, within the redevelopment project area. If the low and very low-income units are part of a residential redevelopment project that includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under subparagraph (f).

The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of this subparagraph (f) shall be established by guidelines adopted by the municipality. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants.

The municipality may modify these guidelines from time to time; the guidelines, however, shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units or for the retirement of bonds issued to finance the units or for the life of the redevelopment project area, whichever is later;

- 15. *Day Care* - If the redevelopment project area is located within a municipality with a population of more than 100,000, the cost of day care services for children of employees from low-income families working for businesses located within the redevelopment project area and all or a portion of the cost of operation of day care centers established by redevelopment project area businesses to serve employees from low-income families

working in businesses located in the redevelopment project area. For the purposes of this paragraph, “low-income families” means families whose annual income does not exceed 80% of the municipal, county, or regional median income, adjusted for family size, as the annual income and municipal, county or regional median income are determined from time to time by the United States Department of Housing and Urban Development.

The TIF Act prohibits certain costs, including the following:

Construction of Privately-owned Buildings - Unless explicitly stated herein the costs of construction of new privately-owned buildings shall not be an eligible redevelopment project cost;

Retail Displacement - After November 1, 1999, none of the redevelopment project costs enumerated in this subsection shall be eligible redevelopment projects if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality. For purposes of this paragraph, termination means a closing of a retail operation that is directly related to the opening of the same operation or like retail entity owned or operated by more than 50% of the original ownership in a redevelopment project area, but it does not mean closing an operation for reasons beyond the control of the retail entity, as documented by the retail entity, subject to a reasonable finding by the municipality that the current location contained inadequate space, has become economically obsolete, or was no longer a viable location for the retailer or serviceman;

Historic Building Demolition - No cost shall be a redevelopment project cost in a redevelopment project area if used to demolish, remove, or substantially modify a historic resource, after August 26, 2008, unless no prudent and feasible alternative exists. “Historic Resource” means (i) a place or structure that is included or eligible for inclusion on the National Register of Historic Places or (ii) a contributing structure in a district on the National Register of Historic Places. This restriction does not apply to a place or structure for which demolition, removal, or modification is subject to review by the preservation agency of a Certified Local Government designated as such by the National Park Service of the United States Department of the Interior.

If a Special Service Area has been established pursuant to the Special Service Area Tax Act or Special Service Area Tax Law, then any tax incremental revenues derived from the tax imposed pursuant to Special Service Area Tax Act or Special Service Area Tax Law may be used within the redevelopment project area for the purposes permitted by that Act or Law as well as the purposes permitted by the TIF Act.

Estimated costs are shown in the below Table 2. Adjustments to these cost items may be made without amendment to the Redevelopment Plan.

Table 2. Redevelopment Project Cost Estimates

Program Actions/Improvements	Estimated Costs
Land and Property Acquisition and Assembly Costs (including Relocation Costs)	\$ 8,700,000
Site Preparation, Demolition, and Environmental Cleanup.	\$ 1,500,000
Public Works or Improvements including, but not limited to, water, storm, sanitary sewer, traffic management, and roadway and streetscape improvements	\$ 8,125,000
Rehabilitation of Existing Structures	\$ 15,000,000
Professional Service Costs (Including without limitation Planning, Legal, Engineering, Architectural, Financial, Administrative, Annual Reporting and Marketing) Redeveloper Interest Costs Pursuant to the Act	\$ 1,000,000
Interest Rate Rebate (30% of annual private investments costs per the TIF Act)	\$ 5,000,000
School Tuition/Library Costs/Capital Improvements (per the TIF Act)	\$ 1,000,000
Job Training	\$ 500,000
<hr/>	
TOTAL ESTIMATED TIF BUDGET	\$40,825,000

Notes:

- (1) All project cost estimates are in 2021 dollars. Costs may be adjusted for inflation per the TIF Act.
- (2) In addition to the costs identified in the exhibit above, any bonds, notes or other obligations issued to finance a phase of the Project may include an amount sufficient to pay (a) customary and reasonable charges associated with the issuance of such obligations, (b) interest on such bonds, notes, or other obligations, and (c) capitalized interest and reasonably required reserves.
- (3) Adjustments to the estimated line-item costs above are expected. Adjustments may be made in line-items within the total, either increasing or decreasing line-items costs for redevelopment. Each individual project cost will be reevaluated in light of the projected private development and resulting tax revenues as it is considered for public financing under the provisions of the Act. The totals of the line-items set forth above are not intended to place a total limit on the described expenditures, as the specific items listed above are not intended to preclude payment of other eligible redevelopment project costs in connection with the redevelopment of the RPA – provided the total amount of payment for eligible redevelopment project costs shall not exceed the overall Total Estimated TIF Budget amount outlined above and all as provided for in the Act.

E. Sources of Funds to Pay Redevelopment Project Costs

Funds necessary to pay for public improvements and other project costs eligible under the TIF Act are to be derived principally from property tax increment revenues, and proceeds from municipal obligations, if any. Any such obligations would be retired primarily with tax increment revenues and interest earned on surplus revenue available, but not immediately needed, for the Redevelopment Plan. The Village may utilize incremental revenues from contiguous redevelopment project areas to pay for redevelopment project costs within the RPA, and conversely, transfer incremental revenues from the RPA to contiguous TIFs, as provided for in the TIF Act.

Any publicly funded “redevelopment project costs” as defined in the TIF Act are subject to (a) approval by the Village, (b) having specific cost categories as set forth in the TIF Act and (c) pursuant to the Village’s incentive policy.

The tax revenues which will be used to pay debt service on the municipal obligations, if any, and to directly pay redevelopment project costs, shall be derived from the incremental increase in property taxes attributable to the increase in the equalized assessed value of each taxable lot, block, tract or parcel of real property in the RPA over and above the initial equalized assessed value of each such lot, block, tract or parcel in the RPA in the 2020 tax year for the RPA.

Among the other sources of funds which may be used to pay for redevelopment project costs and debt service on municipal obligations issued to finance project costs are the following: certain local sales or utility taxes, special service area taxes, the proceeds of property sales, certain land lease payments, certain Motor Fuel Tax revenues, certain state and federal grants or loans, certain investment income, and such other sources of funds and revenues as the Village may from time to time deem appropriate.

F. Nature and Term of Obligations

The Village may issue obligations secured by the tax increment Special Tax Allocation Fund established for the Redevelopment Project Area pursuant to the Act or such other funds as are available to the Village by virtue of its powers pursuant to the Illinois State Statutes.

Any and/or all obligations issued by the Village pursuant to this Redevelopment Plan and the Act shall be retired not more than twenty-three years from the date of adoption of the ordinance approving the Redevelopment Project Area. The actual date for such retirement of obligations shall not be later than December 31 of the year in which the payment to the municipal treasurer, pursuant to the Act, is to be made with respect to ad valorem taxes levied in the 23rd calendar year, occurring after adoption of the ordinance which establishes the RPA.

The final maturity date of any obligations issued pursuant to the Act may not be later than twenty years from their respective date of issuance. One or more series of obligations may be issued from time to time in order to implement this Redevelopment Plan. The total principal and interest

payable in any year on all obligations shall not exceed the amount available in that year or projected to be available in that year, may be payable from tax increment revenues and from bond sinking funds, capitalized interest, debt service reserve funds, and all other sources of funds as may be provided by ordinance.

Those revenues not required for principal and interest payments, for required reserves, for bond sinking funds, for redevelopment project costs, for early retirement of outstanding securities, and to facilitate the economical issuance of additional bonds necessary to accomplish the Redevelopment Plan, may be declared surplus and shall then become available for distribution annually to taxing districts overlapping the RPA in the manner provided by the Act.

Such securities may be issued on either a taxable or tax-exempt basis, with either fixed rate or floating interest rates; with or without capitalized interest; with or without deferred principal retirement; with or without interest rate limits except as limited by law; and with or without redemption provisions, and on such other terms, all as the Village may determine.

G. Most Recent and Anticipated Equalized Assessed Value (EAV)

The most recent estimate of equalized assessed valuation (EAV) for tax year 2020 of the property within the RPA is approximately \$13,287,261. This is only an estimate and is to be certified by the County subsequent to adoption of the Village's TIF ordinances.

Upon completion of the anticipated private development of the Redevelopment Project Area over a twenty-three-year period, it is estimated that the equalized assessed valuation of the property within the Redevelopment Project Area will range from approximately \$35,000,000 to \$40,000,000.

VIII. Scheduling of Redevelopment Project

A. Redevelopment Project

An implementation strategy will be employed with full consideration given to the availability of both public and private funding.

Redevelopment projects will begin as soon as the specific private entities have obtained financing approvals for appropriate projects and such uses are conformant with Village zoning and planning requirements.

Depending upon the scope of the development as well as the actual uses, those redevelopment activities described in Section VI may be included in each phase.

B. Commitment to Fair Employment Practices and Affirmative Action

As part of any Redevelopment Agreement entered into by the Village and any private developers, both parties will agree to establish and implement an honorable, progressive, and goal-oriented affirmative action program that serves appropriate sectors of the Village. The program will conform to the most recent Village policies and plans.

With respect to the public/private development's internal operations, both entities will pursue employment practices which provide equal opportunity to all people regardless of sex, color, race or creed. Neither party will discriminate against any employee or applicant because of sex, marital status, national origin, age, or the presence of physical disabilities. These nondiscriminatory practices will apply to all areas of employment, including: hiring, upgrading and promotions, terminations, compensation, benefit programs and education opportunities.

All those involved with employment activities will be responsible for conformance to this policy and the compliance requirements of applicable state and federal regulations.

The Village and private developers will adopt a policy of equal employment opportunity and will include or require the inclusion of this statement in all contracts and subcontracts at any level. Additionally, all entities will seek to ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which all employees are assigned to work. It shall be specifically ensured that all on-site supervisory personnel are aware of and carry out the obligation to maintain such a working environment.

Finally, the entities will utilize affirmative action to ensure that business opportunities are provided and that job applicants are employed and treated in a nondiscriminatory manner. Underlying this policy is the recognition by the entities that successful affirmative action programs are important to the continued growth and vitality of the community.

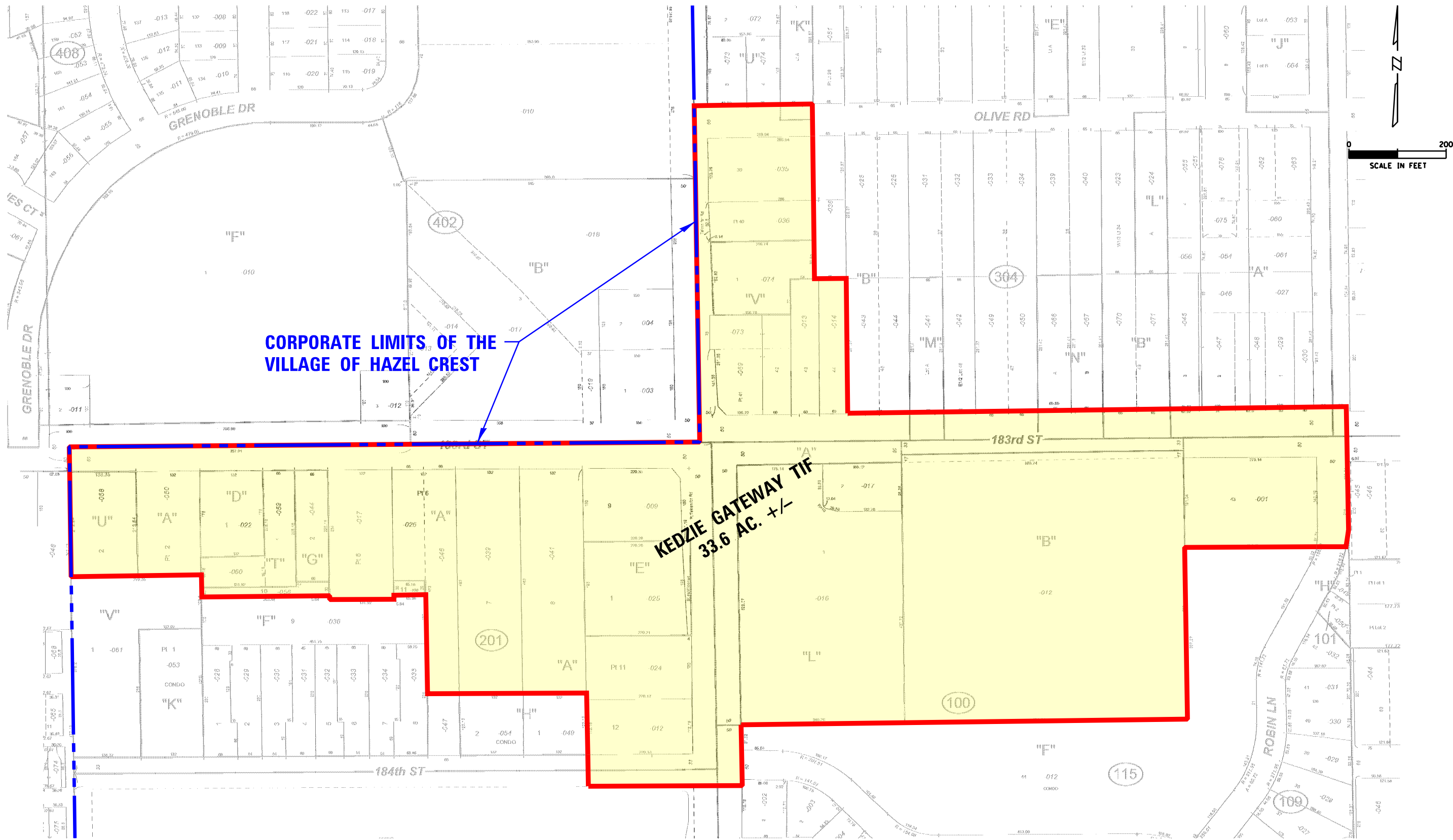
C. Completion of Redevelopment Project

This Redevelopment Plan will be completed within twenty-three years after the year of adoption of an ordinance designating the Redevelopment Project Area. The actual date for such completion shall not be later than December 31st of the year in which the payment to the municipal treasurer pursuant to the Act is to be made with respect to ad valorem taxes levied in the twenty-third calendar year after the year that the ordinance approving the RPA is adopted.

IX. Provisions for Amending the Redevelopment Plan and Project

This Redevelopment Plan may be amended pursuant to the provisions of the TIF Act.

EXHIBIT 1
BOUNDARY MAP



CHRISTOPHER B. BURKE
ENGINEERING, LTD.
9575 West Higgins Road
Suite 600, Rosemont, Illinois 60018
(847) 823-0500

KEDZIE GATEWAY TIF
IN
VILLAGE OF HOMEWOOD, ILLINOIS
PREPARED FOR
KANE, MCKENNA AND ASSOCIATES, INC.

CALC.	JRM
DWN.	AJK
CHKD.	JRM
SCALE:	1"=200'
DATE:	06-17-2021

<u>PROJECT NO.</u>
210319
<u>SHEET 1 OF 1</u>
<u>DRAWING NO.</u>
TIF21319A

REVISED: 07-16-2021

EXHIBIT 2
LEGAL DESCRIPTION

KEDZIE GATEWAY TIF – VILLAGE OF HOMEWOOD, ILLINOIS

THAT PART OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 2, THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 35 NORTH, RANGE 13 EAST AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 36 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 36;

THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 36 TO A POINT OF INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF OLIVE ROAD;

THENCE EAST ALONG SAID WESTERLY EXTENSION AND THE NORTH RIGHT-OF-WAY LINE OF OLIVE ROAD TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF THE EAST 66 FEET OF LOTS 39 AND 40 IN HOMEWOOD GARDENS ACRES NO 2 SUBDIVISION, RECORDED SEPTEMBER 6, 1935, AS DOCUMENT NUMBER 11674815;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE WEST LINE OF THE EAST 66 FEET OF LOTS 39 AND 40 TO A POINT ON THE SOUTH LINE OF SAID LOT 40;

THENCE EAST ALONG THE SOUTH LINE OF LOT 40 TO THE SOUTHEAST CORNER THEREOF, SAID SOUTHEAST CORNER ALSO BEING THE NORTHEAST CORNER OF LOT 44 IN SAID HOMEWOOD GARDENS ACRES NO 2 SUBDIVISION;

THENCE SOUTH ALONG THE EAST LINE OF SAID LOT 44 TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF 183RD STREET;

THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE OF 183RD STREET TO A POINT OF INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF ROBIN LANE;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST RIGHT-OF-WAY LINE OF ROBIN LANE TO A POINT OF INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 43 IN PINWOOD MANOR OF HOMEWOOD FIRST ADDITION, RECORDED NOVEMBER 14, 1988, AS DOCUMENT NUMBER 88524235;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH LINE OF LOT 43 TO A POINT ON THE EAST LINE OF THE WEST 974 FEET OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 1;

THENCE SOUTH ALONG SAID EAST LINE OF THE WEST 974 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH 579 FEET OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 1;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH 579 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF KEDZIE AVENUE;

THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE OF KEDZIE AVENUE TO A POINT OF INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF 184TH STREET;

THENCE WEST ALONG SAID EASTERLY EXTENSION AND THE SOUTH RIGHT-OF-WAY LINE OF 184TH STREET TO A POINT OF INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE LOT 8 IN HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION, RECORDED NOVEMBER 20, 1934, AS DOCUMENT NUMBER 11497788;

THENCE NORTH ALONG SAID SOUTHERLY EXTENSION AND THE EAST LINE LOT 8 TO A POINT ON THE SOUTH LINE OF THE NORTH 463 FEET OF SAID LOT 8;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH 463 FEET OF LOT 8 AND CONTINUING WEST ALONG THE SOUTH LINE OF THE NORTH 463 FEET OF LOTS 7 AND 6 IN SAID HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION TO A POINT ON THE WEST LINE OF THE EAST HALF OF SAID LOT 6, SAID WEST LINE ALSO BEING THE EAST LINE OF LINDENWOOD SUBDIVISION, RECORDED NOVEMBER 29, 1977, AS DOCUMENT NUMBER 24214414;

THENCE NORTH ALONG SAID EAST LINE OF LINDENWOOD SUBDIVISION TO THE NORTHEAST CORNER THEREOF, SAID NORTHEAST CORNER ALSO BEING A POINT ON THE NORTH LINE OF THE SOUTH 360 FEET OF SAID LOT 6 IN HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 360 FEET TO A POINT ON THE WEST LINE OF SAID LOT 6;

THENCE SOUTH ALONG SAID WEST LINE OF LOT 6 TO A POINT ON THE NORTH LINE OF LOT 9 IN SAID LINDENWOOD SUBDIVISION;

THENCE WEST, NORTH AND WEST ALONG SAID NORTH LINE OF LOT 9 TO THE NORTHWEST CORNER THEREOF, SAID NORTHWEST CORNER ALSO BEING A POINT ON THE EAST LINE OF LOT 2 IN SAID HOMEWOOD GARDENS ACRES NO 1 SUBDIVISION;

THENCE NORTH ALONG SAID EAST LINE OF LOT 2 TO A POINT ON THE NORTH LINE OF THE SOUTH 375 FEET OF SAID LOT 2;

THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH 375 FEET TO A POINT ON THE WEST LINE OF SAID LOT 2, SAID POINT ALSO BEING THE SOUTHEAST CORNER OF LOT 2 IN HOMEWOOD POINTE RESUBDIVISION, RECORDED JANUARY 6, 2005, AS DOCUMENT NUMBER 0500645141;

THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 2 IN HOMEWOOD POINTE RESUBDIVISION TO THE SOUTHWEST CORNER THEREOF, SAID SOUTHWEST CORNER ALSO BEING A POINT ON THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 2;

THENCE NORTH ALONG SAID WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER TO A POINT ON THE NORTH LINE OF SAID SECTION 2;

THENCE EAST ALONG SAID NORTH LINE OF SAID SECTION 2 TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

EXHIBIT 3
QUALIFICATION REPORT

**VILLAGE OF HOMEWOOD
TAX INCREMENT FINANCE (TIF) QUALIFICATION REPORT
PROPOSED KEDZIE GATEWAY TIF DISTRICT
REDEVELOPMENT PROJECT AREA**

A study to determine whether all or a portion of an area located in the Village of Homewood qualifies as a “conservation area” as set forth in the definitions in the Tax Increment Allocation Redevelopment Act, 65 ILCS Section 5/11-74.4-3, et seq., as amended.

Prepared For: Village of Homewood, Illinois

Prepared By: Kane, McKenna and Associates, Inc.

JULY, 2021

**VILLAGE OF HOMEWOOD
TIF QUALIFICATION REPORT
KEDZIE GATEWAY TIF DISTRICT
REDEVELOPMENT PROJECT AREA**

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Appendix I - TIF District Boundary Map

Appendix II - Tax Parcel Information

I. INTRODUCTION AND BACKGROUND

In considering the designation of the proposed Kedzie & 183rd Redevelopment Project Area (“TIF District”), the Village of Homewood (the “Village”) has authorized the study of the area indicated in the map attached hereto as Appendix I (the “Study Area”) to determine whether it qualifies for consideration as a “redevelopment project area” (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (“TIF Act” or the “Act”). Kane, McKenna and Associates, Inc. (“KMA”), has agreed to undertake the study of the Study Area. The Study Area consists of twenty-eight (28) tax parcels (as described in Appendix I) comprised of approximately thirty-three (33) acres, and twenty-one (21) buildings. The proposed TIF designation will serve to improve the Village’s western gateway along 183rd Street.

The proposed TIF District was found to have various qualification factors that would enable the Village to designate the Study Area as a “conservation area” as defined in the TIF Act. Fifteen (15) of the twenty-one (21) buildings, or sixty-eight percent (71%) are over thirty-five (35) years in age. These building ages qualify the Study Area as a “conservation” area. Additional qualifying factors in the Study Area include obsolescence, deterioration, lack of community planning, and excessive vacancies.

Village Objectives

The Village’s 1999 Comprehensive Plan, (“The Plan”), notes that sustainable economic viability is a critical concern of residents, and that the Village needs to optimize land uses to maximize tax income from commercial and industrial uses. The Plan also recognizes that residential tax burdens can be mitigated by taxes brought to the Village by commercial and industrial land uses. Accordingly, the Plan includes the following objectives:

- Promote commercial development on vacant or under-utilized land parcels only where it will serve to strengthen existing commercial districts.
- Recruit additional appropriate retail and industrial development for designated vacant commercial and industrial areas
- Implement municipal utility improvements, especially storm water improvements, sidewalk construction/replacement, streetscape, street tree plantings and sign improvements.

Source: Village of Homewood Comprehensive Plan

Given these Village objectives under its comprehensive planning process and the conditions briefly summarized above, the Village has made a determination that it is highly desirable to promote the redevelopment of the proposed TIF District. The Village has conceptualized the Study Area as one of the Village’s economic development target areas, since the area has experienced trending upward vacancies over the last few years. National trends that affect both the retail market and the auto industry also impact uses in the area. The Village intends to create and implement a “redevelopment plan” as defined in the TIF Act (the “TIF Redevelopment Plan”) in order to increase tax revenues by undertaking redevelopment activities to increase the community’s tax base.

The Village is favorably disposed toward supporting redevelopment efforts in areas of underutilization and disinvestment and to proactively position the areas in relation to the marketplace. Accordingly, the Village has determined that additional redevelopment strategies take place with the benefit and guidance of comprehensive economic planning by the Village. Through such a coordinated effort, the economic benefits of the Village's other redevelopment efforts, including current downtown area redevelopment efforts, can be broadened into the proposed TIF District area to further complement the Village's overall redevelopment endeavors. Development barriers, inherent with current conditions within the proposed TIF District, which impede economic growth under existing market standards, can be expected to be mitigated.

The Village has determined that redevelopment currently planned for the area may only be feasible with public financial assistance coordinated with private sector investment. The creation and utilization of a TIF redevelopment plan is intended by the Village to help provide the assistance required to eliminate conditions detrimental to successful redevelopment of the area.

The use of TIF relies upon induced private redevelopment in the area thus creating higher real estate value that would otherwise decline or stagnate without such investment, leading to increased property taxes compared to the previous land use (or lack of use). In this way, the existing tax base for all tax districts is protected and a portion of future increased taxes are pledged to attract the needed private investment.

II. QUALIFICATION CRITERIA USED

With the assistance of Village staff, Kane, McKenna and Associates, Inc. examined the Study Area from October, 2020 thru the date of this report, and reviewed information collected for the area to determine the presence or absence of appropriate qualifying factors listed in the TIF Act. The relevant sections of the TIF Act are found below. The TIF Act sets out specific procedures which must be adhered to in designating a redevelopment project area. By definition, a “redevelopment project area” is:

“an area designated by the municipality, which is not less in the aggregate than 1 ½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, or a combination of both blighted area and conservation area.”

Under the TIF Act, a “conservation area” means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area, but because of a combination of 3 or more of the factors identified below may be considered as a “conservation area”.

Conservation Area

In accordance with the TIF Act, KMA assessed the following factors to determine qualification of the Study Area as a “conservation area”. Pursuant to the TIF Act, such an area qualifies as a “conservation area” provided that:

If improved, industrial, commercial and residential buildings or improvements are detrimental to the public safety, health or welfare because of a combination of five (5) or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

(A) Dilapidation: An advanced state of disrepair or neglect of necessary repairs to the primary structural components of building or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

(B) Obsolescence: The condition or process of falling into disuse. Structures become ill-suited for the original use.

(C) Deterioration: With respect to buildings, defects including, but not limited to major defects in the secondary building components such as doors, windows, porches, gutters and downspouts and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking and surface storage areas evidence deterioration, including, but limited to, surface

cracking, crumbling, potholes, depressions, loose paving material and weeds protruding through paved surfaces.

(D) Presence of Structures Below Minimum Code Standards: All structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

(E) Illegal Use of Individual Structures: The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

(F) Excessive Vacancies: The presence of buildings that are unoccupied or underutilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

(G) Lack of Ventilation, Light, or Sanitary Facilities: The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refer to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

(H) Inadequate Utilities: Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines and gas, telephone and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area; (ii) deteriorated, antiquated, obsolete or in disrepair; or (iii) lacking within the redevelopment project area.

(I) Excessive Land Coverage and Overcrowding of Structures and Community Facilities: The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking or inadequate provision for loading service.

(J) Deleterious Land-Use or Layout: The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses or uses considered to be noxious, offensive or unsuitable for the surrounding area.

(K) Environmental Clean-Up: The Proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for the clean-up of hazardous waste, hazardous substances or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

(L) Lack of Community Planning: The Proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards or other evidence demonstrating an absence of effective community planning.

(M) Lagging or Declining EAV: The total equalized assessed value of the proposed redevelopment project area has declined for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated, or is increasing at an annual rate that is less than the balance of the municipality for three (3) of the last five (5) calendar years, for which information is available or increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for three (3) of the last five (5) calendar years prior to the year in which the redevelopment project area is designated.

III. THE STUDY AREA

The Study Area consists of twenty-eight (28) tax parcels generally located at the intersection of Kedzie Avenue and 183rd Street, primarily along the south side of 183rd Street straddling Kedzie Avenue, between Kimball Street to the west and Robin Lane to the east, and also on the east side of Kedzie Avenue north of 183rd Street.

IV. METHODOLOGY OF EVALUATION

In evaluating the area's potential qualification as a TIF District, the following methodology was utilized:

- 1) A site survey of the area was undertaken by representatives from KMA.
- 2) KMA completed an exterior evaluation of structures, as part of the review. Additionally, KMA assessed 2014 through 2020 tax information from the Cook County Clerk's Office, Sidwell parcel tax maps, site data, local history (discussions with Village staff), and an evaluation of area-wide factors that have affected the area's development (e.g., lack of community planning). KMA reviewed the area in its entirety. Village redevelopment goals and objectives for the area were also reviewed with Village staff. A photographic analysis of the area was conducted and was used to aid this evaluation.
- 3) Existing structures and site conditions were initially surveyed only in the context of checking, to the best and most reasonable extent available, TIF Act criteria factors of specific structures and site conditions on the parcels.
- 4) The area was examined to assess the applicability of the different factors, required for qualification for TIF designation under the TIF Act. Evaluation was made by reviewing the information and determining how each measured when evaluated against the relevant factors. The area was examined to determine the applicability of the thirteen (13) different "conservation area" factors for qualification for TIF designation under the TIF Act.

V. QUALIFICATION OF PROPOSED RPA/FINDINGS OF ELIGIBILITY

As a result of KMA's evaluation of the area included in the proposed TIF District and analysis of each of the eligibility factors summarized in Section II, the following factors are presented to support qualification of part of the proposed TIF District as a "conservation area".

A. Conservation Area Threshold Factors

Age

Based upon the site survey and data from the Cook County Assessor's office, seventy-one percent (71%) (15 of the 21 structures) within the Study Area were found to be thirty-five (35) years of age or greater.

B. Other Conservation Area Factors (Must Include Three or More Additional Factors)

1. Obsolescence

Obsolescence is defined as the condition or process of falling into disuse. This can also be defined as a structure(s) that has become ill-suited for its original use.

The Study Area includes several properties comprised of older, large single-use buildings whose original intended uses are no longer consistent with contemporary commercial development standards. For example, a 48-year-old Brunswick Bowling/Big Lots building located on the south side of 183rd Street, has experienced vacancies for six (6) years. This long-term vacancy is evidence of the obsolescence of older, larger, limited-use buildings like this. As another example, the automobile dealership, also on the south side of 183rd Street west of Kedzie Avenue, is another large special use facility, and is 38-years old designed for auto related uses including sales, service, vehicle storage and inventory. The Jewel-Osco building, at the southeast corner of Kedzie Avenue and 183rd Street, while currently in operation, is another example of a larger single-use building, whose advanced age of 37 years and size are characteristics make its potential future obsolescence possible given marketplace competition and newer retail trends. At another property, originally designed as an office building, the Village has issued variances from Village parking regulations since the property is not being used for its original intended use, and rather for non-office uses such as fitness, medical, and salon uses.

In addition, the existence of two single-family residential properties located on the east side of Kedzie Avenue just north of the 183rd Street/Kedzie intersection and adjacent to and across the street from commercial uses, along with another single-family residence located on the south side of 183rd Street and surrounded by commercial properties contribute to obsolescence within the Study Area. These residential uses are incompatible with the surrounding commercial land uses within the Study Area, and are therefore, no longer well suited for their original intended use.

2. Deterioration of Site Improvements and Structures

Pursuant to the Act, deterioration can be evidenced in major or secondary building defects. For example, such defects include, but are not limited to, deterioration of building components such as windows, porches, fascia, gutters and doors. In addition, deterioration can also be evidenced with respect to surface improvements in defects that include, but are not limited to, surface cracking, crumbling, potholes, depressions, loose paving material and protrusion of weeds through the paved surfaces of roadways, alleys, curbs, sidewalks, off-street parking and surface storage areas.

Various degrees of deterioration were observed at sixteen (16) of the twenty-eight (28) parcels of the Study Area. With respect to surface improvements, deterioration was found to be prevalent in the asphalt-paved parking areas and service driveways in the form of extensive surface cracking, potholes, settlement, loose paving materials, and weed growth in pavement, along with crumbling curbs, faded parking striping paint and traffic control paint, broken or dislodged parking blocks, and deteriorated light standards

Secondary building defects were also observed, including masonry exteriors in need of tuckpointing, damaged exterior stucco, peeling paint on doors, trim and gutters and downspouts, deteriorated rail systems at loading docks, rusted metal service and overhead garage doors, and deteriorated window caulking,

Deterioration such as that described above has been documented by the Village in multiple notices of code enforcement violations to property owners within the Study Area as late as July, 2021, including for potholes, parking lot pavement sealing, parking lot striping paint, weed growth, roof leaks, painting, signage, retaining walls, debris removal, and tuckpointing.

3. Presence of Structures Below Minimum Code Standards:

Pursuant to the Act, structures below minimum code standards are structures that do not meet the standards of zoning, subdivision, building, fire and other governmental codes applicable to property, but not including housing and property maintenance codes.

There are several properties within the Study Area that have outstanding code violations. The Brunswick/Big Lots property was issued a demolition order by the Village on January, 2020 citing dilapidation that is “so out of repair as to be dangerous and unsafe for human occupancy” and was “declared a nuisance and dangerous to public safety.” As of the date of this report, the Village is in the process of enforcing this demolition order. In addition, this property also has outstanding fire safety code violations, along with seven (7) other properties, so that twenty-eight percent (28%) of the properties in the Study Area have been cited with fire safety and other code violations.

4. Excessive Vacancies

Pursuant to the Act, excessive vacancies are the presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent or duration of the vacancies.

Eleven (11) of the twenty-nine (29) commercial units within the Study Area, or thirty-eight percent (38%), were found to be vacant. As previously mentioned, the 54,000 square foot Brunswick Zone bowling facility was closed abruptly approximately six (6) years ago and has been vacant since that time. Village staff reports that there has not been any interest in this property. In addition, according to Village staff, the 12,100 square foot Park West Plaza retail strip shopping center, located at 3003-3029 W. 183rd Street, comprised of nine (9) commercial units, is approximately thirty-three percent (33%) vacant. There is also a vacant commercial unit in another six-unit retail strip shopping center located on 183rd Street within the Study Area. There are also four improved vacant parcels of land within the Study Area, totaling almost one acre.

5. Lack of Community Planning

According to the Act, lack of community planning exists if the proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards or other evidence demonstrating an absence of effective community planning.

While the Village of Homewood adopted its first Comprehensive Plan in 1958, with subsequent updates in 1976, 1986, and 1999, the 1999 Comprehensive Plan states that "most of the Village's ordinances that govern the development of land were prepared in the late 1970's and early 1980's, and that "there has not been a 'whole-scale' in-depth review and evaluation of the zoning and subdivision ordinance language and zoning map" since that time. In contrast, thirteen (13) of the twenty-eight (28) tax parcels within the Study Area, or forty-six percent (46%), were developed before 1984. Eight (8) of these thirteen (13) were developed between 1937 and 1978. In addition, all of the properties situated along the south side of 18rd Street within the Study Area were annexed into the Village in 1960, long before the 1970s and 1980s when the Village began governing the development of land. The Village's 1986 Future Land Use Plan called for commercial and related development within the 183rd Street commercial corridors, well after development of most of the properties within the Study Area. In addition, it was not until the Village's adoption of its 1999 Comprehensive Plan that 183rd Street was recognized as "a major east/west entryway into the Village allowing for a southern grand access-way to the Downtown". The 1999 plan also notes that regional retail market shifts "will create the need for additional local retail shopping within the Downtown and along 183rd Street". Programmed commercial development is recommended as part of the 1999 Comprehensive Plan calling for "expansion of the existing commercial pattern of commercial uses within the northeastern quadrant of 183rd and Kedzie Avenue." As noted earlier, these objectives

are also dependent upon the awareness of current marketplace trends that impact retail/commercial uses.

Evidence of a lack of effective community planning within the Study Area, can be seen in the incompatible land uses associated with two single-family residential properties located on the east side of Kedzie Avenue just north of the 183rd Street/Kedzie intersection and adjacent to and across the street from commercial uses, along with another single-family residence located on the south side of 183rd Street and surrounded by commercial properties all with inadequate buffering between these incompatible land uses. Further evidence of a lack of effective community planning can be seen in three tax parcels that are situated behind and between other parcels, and therefore, have no road access to them. In addition, the lack of facilitation of on-site access for vehicular or pedestrian traffic between commercial properties, such as cross easements or other traffic connections between properties provides for exclusive reliance on curb cuts at each property for ingress and egress, contributing to greater traffic generation within the rights of way of 183rd Street, a major arterial.

Further evidence of a lack of community planning can be found in the fact that certain properties within the Study Area are not in compliance with Village zoning regulations. For example, the Village has issued zoning variances for eight (8) of the twenty-eight (28) tax parcels within the Study Area. Six (6) of these are variations from Village parking regulations, one (1) is a variation from Village use regulations the property is not being used for its intended use as an office building, but rather for non-office uses, such as fitness, medical, and salon uses, and another is a variation from Village fence height requirements.

VI. SUMMARY OF FINDINGS AND OVERALL ASSESSMENT OF QUALIFICATION

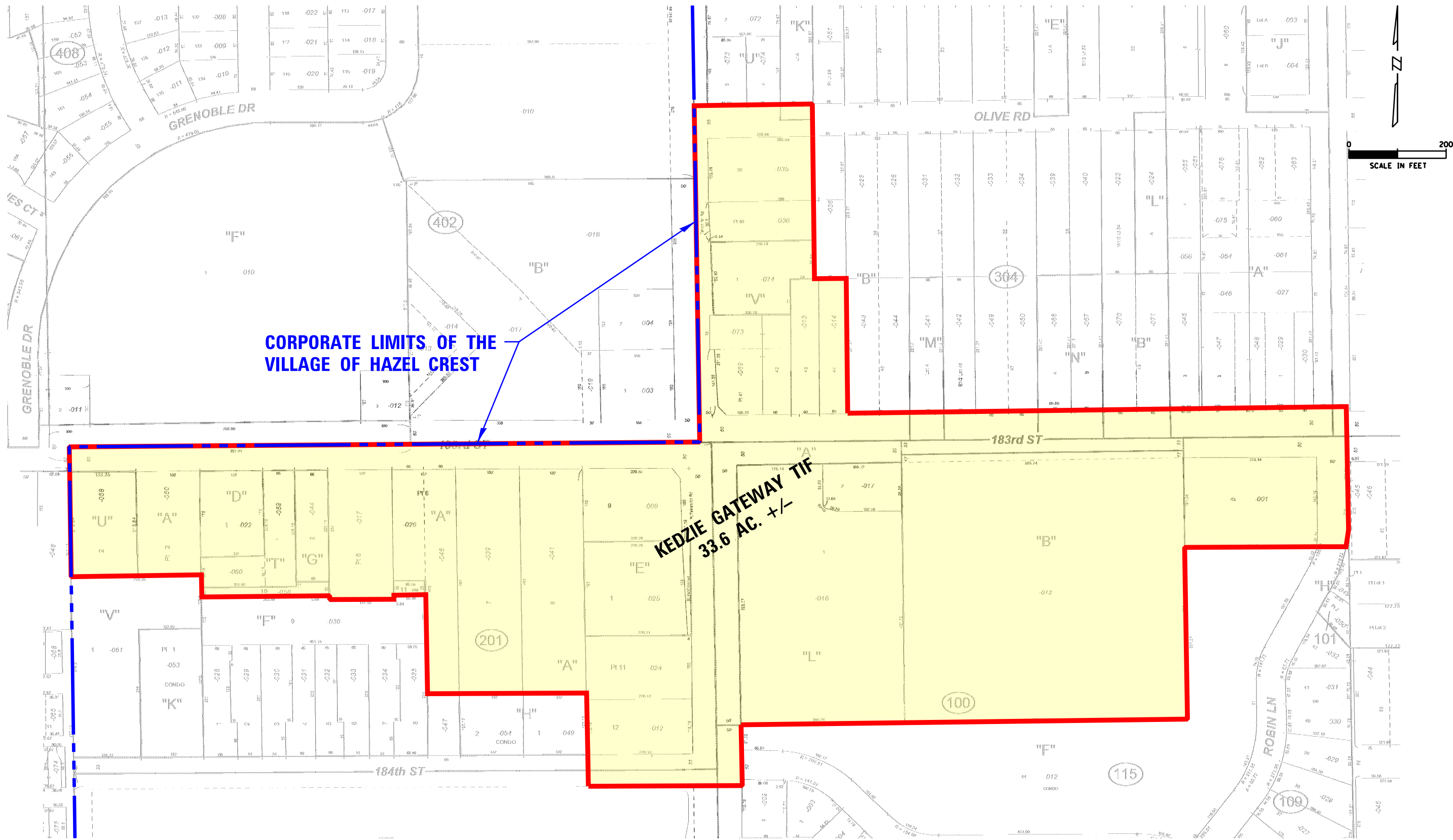
The following is a summary of relevant qualification findings as it relates to a proposed designation of the Study Area by the Village as a TIF District:

1. The area is contiguous and is greater than 1½ acres in size;
2. The area qualifies as a “conservation area;”;
3. All property in the area would substantially benefit from the proposed redevelopment project improvements;
4. The sound growth of taxing districts applicable to the area, including the Village, has been impaired by the factors found present in the area; and
5. The area would not be subject to redevelopment without the investment of public funds, including property tax increments.

These findings, in the judgment of KMA, provide the Village with sufficient justification to consider designation of the area as a TIF District.

The area has not benefited from coordinated planning efforts by either the public or private sectors. There is a need to focus redevelopment efforts relating to business attraction and retention as well as the coordination of redevelopment efforts for modern uses. These efforts will be important to the area’s continued improvement and preservation of tax base.

APPENDIX I
TIF DISTRICT BOUNDARY MAP



CHRISTOPHER B. BURKE
ENGINEERING, LTD.
9575 West Higgins Road
Suite 600, Rosemont, Illinois 60018
(847) 823-0500

KEDZIE GATEWAY TIF
IN
VILLAGE OF HOMEWOOD, ILLINOIS
PREPARED FOR
KANE, MCKENNA AND ASSOCIATES, INC.

CALC.	JRM
DWN.	AJK
CHKD.	JRM
SCALE:	1"=200'
DATE:	06-17-2021

PROJECT NO.
210319
SHEET 1 OF 1
DRAWING NO.
TIF21319A

REVISED: 07-16-2021

APPENDIX II
TAX PARCELS

List of Tax Parcels

28-36-304-013
28-36-304-014
28-36-304-035
28-36-304-036
28-36-304-069
28-36-304-073
28-36-304-074
31-01-100-012
31-01-100-016
31-01-100-017
31-01-115-001
31-02-201-009
31-02-201-012
31-02-201-017
31-02-201-022
31-02-201-024
31-02-201-025
31-02-201-026
31-02-201-038
31-02-201-039
31-02-201-041
31-02-201-044
31-02-201-046
31-02-201-050
31-02-201-056
31-02-201-058
31-02-201-059
31-02-201-060

EXHIBIT 4
EXISTING LAND USE MAP

Proposed Kedzie Gateway TIF: Current Land Use Map

Village of Homewood

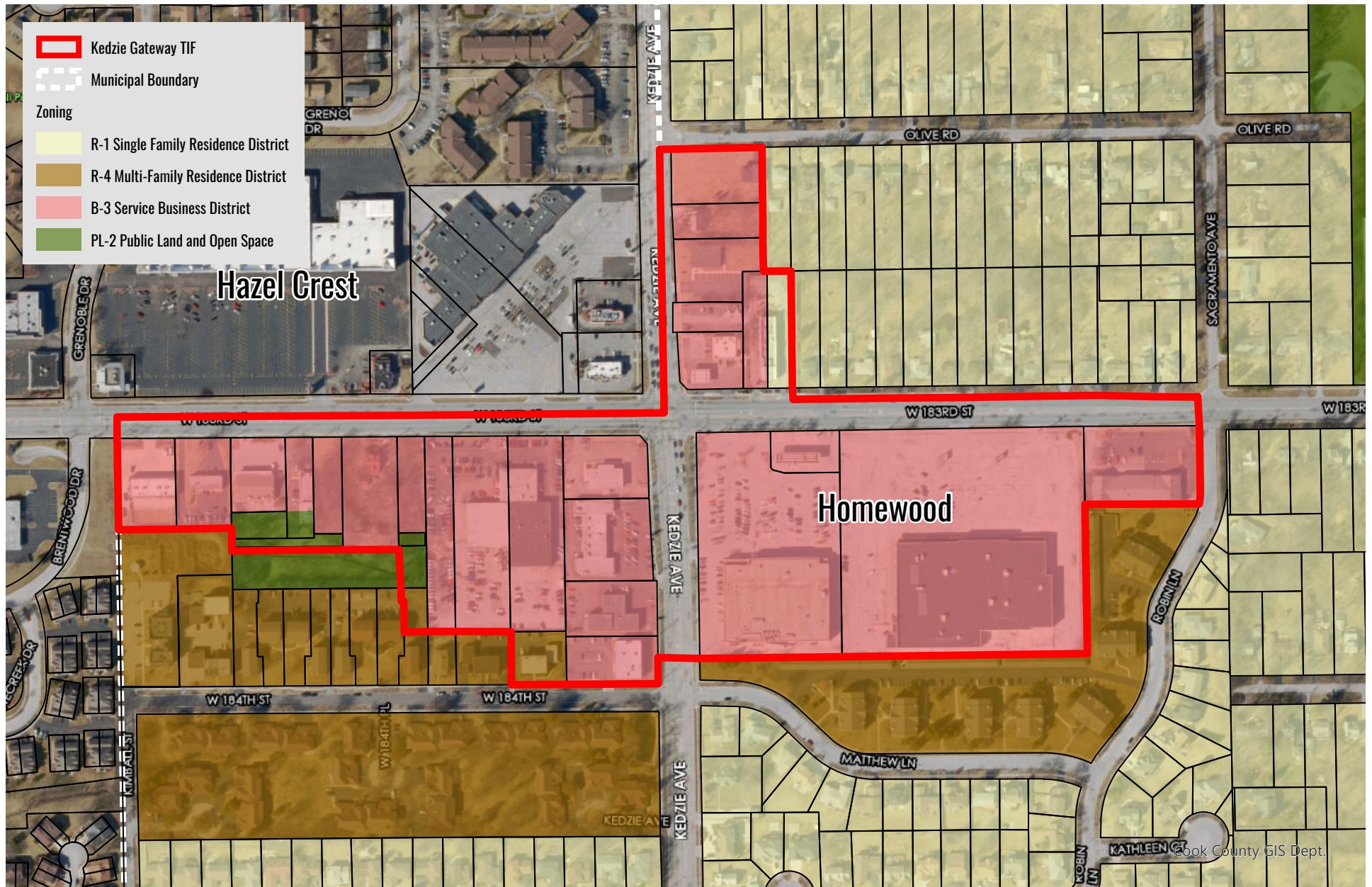
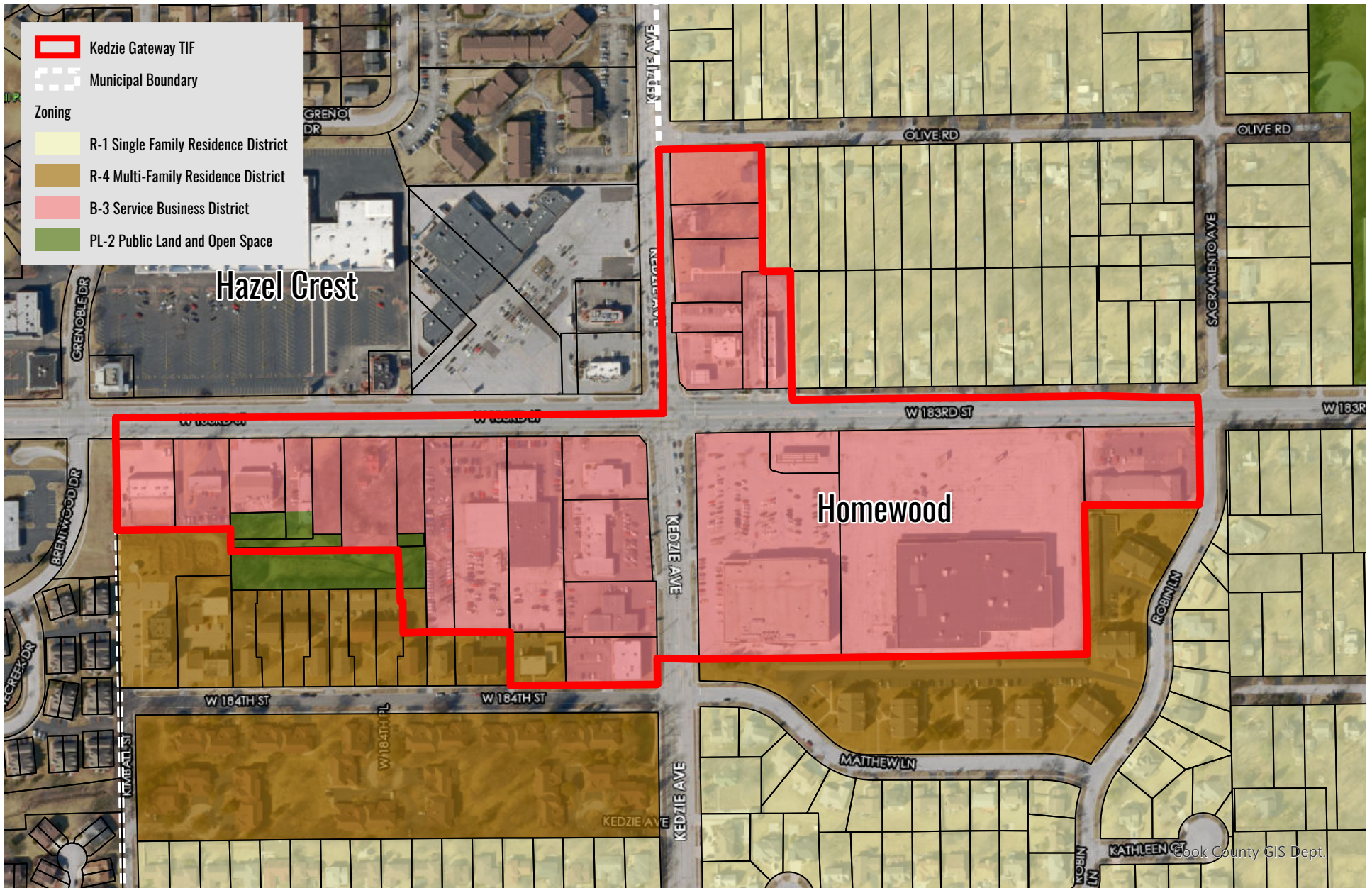


EXHIBIT 5

PROPOSED LAND USE MAP

Proposed Kedzie Gateway TIF: Future Land Use Map

Village of Homewood



Cook County GIS Dept.

